House Engrossed
FILED
KEN BENNETT
SECRETARY OF STATE

State of Arizona House of Representatives Forty-ninth Legislature Second Regular Session 2010

HOUSE CONCURRENT MEMORIAL 2002

A CONCURRENT MEMORIAL

URGING CONGRESS TO ENSURE THAT ANY FEDERAL HEALTH CARE REFORM LEGISLATION HAS A MINIMAL FISCAL IMPACT ON THE STATES.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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To the Congress of the United States:

Your memorialist respectfully represents:

Whereas, the State of Arizona is currently facing an unprecedented budget crisis with a deficit of \$1.5 billion for state fiscal year 2009-2010 and \$3.4 billion in state fiscal year 2010-2011; and

Whereas, the Arizona Legislature has already made and must continue to make dramatic cuts to vital education, public safety, health and welfare programs to address the state's budget crisis; and

Whereas, Arizona is one of six states that has voluntarily expanded its Medicaid coverage up to one hundred per cent of the federal poverty limit, resulting in a dramatic increase over the past decade in both population and costs; and

Whereas, the United States Congress is currently pursuing a health care reform proposal that includes significant mandated Medicaid expansion; and

Whereas, both the United States House of Representatives and the United States Senate proposals include a mandated maintenance of effort stipulation that requires states to maintain their current Medicaid programs at existing levels; and

Whereas, the current spending level of the Arizona Health Care Cost Containment System program is unsustainable given the state's dire fiscal condition, and the proposed maintenance of effort requirement leaves Arizona without the flexibility to control Medicaid spending; and

Whereas, the United States Senate proposal is currently projected to cost Arizona an additional \$4 billion through 2020; and

Whereas, the United States Senate bill inexplicably contains inequitable policy treatment towards expansion states like Arizona, resulting in a projected penalty of over \$15 billion during a seven-year period for Arizona alone; and

Whereas, the United States Senate bill contains a number of other policies that favor particular states like Nebraska solely for political gain; and

Whereas, Arizona taxpayers will not only be forced to support the Arizona Health Care Cost Containment System but will also see tax increases and Medicare service reductions to pay for health care expansion costs in other states and special deals; and

Whereas, the continued administration of the Medicaid program in Arizona as mandated in federal health care reform proposals will deplete Arizona's General Fund at the expense of critical public education, health and safety programs.

Wherefore your memorialist, the House of Representatives of the State of Arizona, the Senate concurring, prays:

1. That the United States Congress ensure that any federal health care legislation contain an equitable distribution of Medicaid funding through a formula that considers caseload growth, state revenues available to maintain

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required services and state budget shortfalls in meeting the federal requirement.

- 2. That the United States Congress consider flexibility for states to adjust services if federal assistance is not sufficient to meet the federal requirement.
- 3. That the Secretary of State of the State of Arizona transmit copies of this Memorial to the President of the United States, the Speaker of the United States House of Representatives, the President of the United States Senate and each Member of Congress from the State of Arizona.

PASSED BY THE HOUSE FEBRUARY 23, 2010.

PASSED BY THE SENATE APRIL 21, 2010.

FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 22, 2010.